

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA)	Criminal No.	1:17-CR-195 (GLS)
)		
v.)	Information	
)		
ROBERT F. STOUT and KASEY N. RILEY, a.k.a. KASEY STOUT,)	Violation:	18 U.S.C. § 1349 [Conspiracy to Commit Wire Fraud]
)		
)		
)	1 Count and Forfeiture Allegation	
)		
Defendants.)	County of Offense:	Rensselaer

THE UNITED STATES ATTORNEY CHARGES:

COUNT 1
[Conspiracy to Commit Wire Fraud]

1. From on or about January 1, 2012, through on or about July 24, 2014, in the Northern District of New York, and elsewhere, the defendants, **ROBERT F. STOUT** and **KASEY N. RILEY, a.k.a. KASEY STOUT**, conspired to commit wire fraud by devising a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and by omission and concealment of material facts, and for the purpose of executing such scheme and artifice and attempting so to do, transmitting and causing to be transmitted, by means of wire, radio, and television communications in interstate commerce, writings, signs, signals, and sounds, in violation of Title 18, United States Code, Section 1343.

Purpose

2. It was a purpose of the conspiracy to steal money by causing people to pay for fraudulent activation keys for Microsoft software products.

Manner and Means

3. It was a manner and means of the conspiracy that the defendants, **ROBERT F. STOUT** and **KASEY N. RILEY, a.k.a. KASEY STOUT**, advertised Microsoft software products for sale on 3dcart.com under a rotating series of names that appeared to belong to software businesses (the “Target Companies”), but that were not associated with any legitimate business entity.

4. It was further a manner and means of the conspiracy that the defendants, **ROBERT F. STOUT** and **KASEY N. RILEY, a.k.a. KASEY STOUT**, created email accounts using the names of the Target Companies to communicate with people interested in buying the advertised Microsoft software (the “Victims”).

5. It was further a manner and means of the conspiracy that the defendants, **ROBERT F. STOUT** and **KASEY N. RILEY, a.k.a. KASEY STOUT**, opened accounts with Paypal, Inc. in the names of the Target Companies and the Victims sent money to those account.

6. It was further a manner and means of the conspiracy that the defendants, **ROBERT F. STOUT** and **KASEY N. RILEY, a.k.a. KASEY STOUT**, purchased activation keys from unauthorized, online sources including the websites known as wholesalewindows8key.com, buy2010key.net, cheapkeyoffer.com, godkey.net, and Aliexpress a.k.a. Alibaba, and, in return for payments from the Victims, emailed those fraudulent activation keys to the Victims when, as they then well knew, the activation keys (a) were not authorized for commercial use; (b) did not authorize activation of the specific software product paid for by the Victims for commercial use; and (c) did not authorize the number of product activations paid for by the Victims for commercial use.

7. It was further a manner and means of the conspiracy that the defendants, **ROBERT F. STOUT** and **KASEY N. RILEY, a.k.a. KASEY STOUT**, after receiving Victim complaints that specific activation keys were not functioning properly, continued to send out those activation keys when, as they then well knew, they would not work.

8. It was further a manner and means of the conspiracy that the defendants, **ROBERT F. STOUT** and **KASEY N. RILEY, a.k.a. KASEY STOUT**, received approximately \$1,480,227.71 from Victims throughout the United States, including the Northern District of New York, into Paypal accounts in the names of the Target Companies, and subsequently transferred their proceeds to bank accounts that they controlled, in their own names and the names of others.

All in violation of Title 18, United States Code, Section 1349.

FORFEITURE ALLEGATION

9. The allegation contained in Count One of this Information is hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 982(a)(2)(A).

10. Upon conviction of the offense in violation of Title 18, United States Code, Section 1349 set forth in Count One of this Information, the defendants shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(1)(C), Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 982(a)(2)(A), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses set forth in Count One.

The property to be forfeited includes, but is not limited to a money judgment in an amount no less than \$1,480,227.71.

Substitute Assets

11. If any of the property described above, as a result of any act or omission of the defendant:

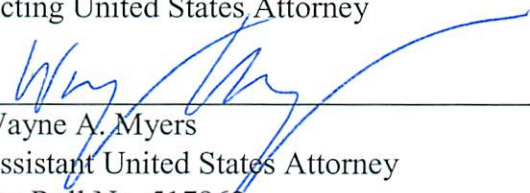
- a. Cannot be located upon the exercise of due diligence;
- b. Has been transferred or sold to, or deposited with, a third party;
- c. Has been placed beyond the jurisdiction of the court;
- d. Has been substantially diminished in value;
- e. Has been commingled with other property which cannot be divided without difficulty.

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Sections 982(a)(2)(A), and Title 28, United States Code, Section 2461(c).

Dated: July 26, 2017

GRANT C. JAQUITH
Acting United States Attorney

By:



Wayne A. Myers
Assistant United States Attorney
Bar Roll No. 517962